

Update 2013

Finance Planning Overview and Status



March 28, 2013

Update 2013 Finance Planning Framework

- Purpose of Update 2013 [Strategic] Finance Planning effort:
 - Create a common and comprehensive understanding of current [finance] conditions
 - Identify State IWM investment principles and priorities
 - Recommend innovative, stable, equitable and fiscally disciplined financial strategies and revenue sources

Update 2013 Volume 1

- **Chapter 1 – Planning for Environmental, Economic and Social Prosperity (Light Touch)**
- Chapter 2 – California Water Today
- **Chapter 3 – Imperative to Invest in Innovation and Infrastructure (Light Touch)**
- Chapter 4 – Companion Plans
- Chapter 5 – Managing an Uncertain Future
- Chapter 6 – Integrated Data and Analysis
- **Chapter 7 – Finance Planning Framework (*Overview*)**
- **Chapter 8 – Implementation Plan (*Working Session*)**

Chapter 1 – A Call For Action

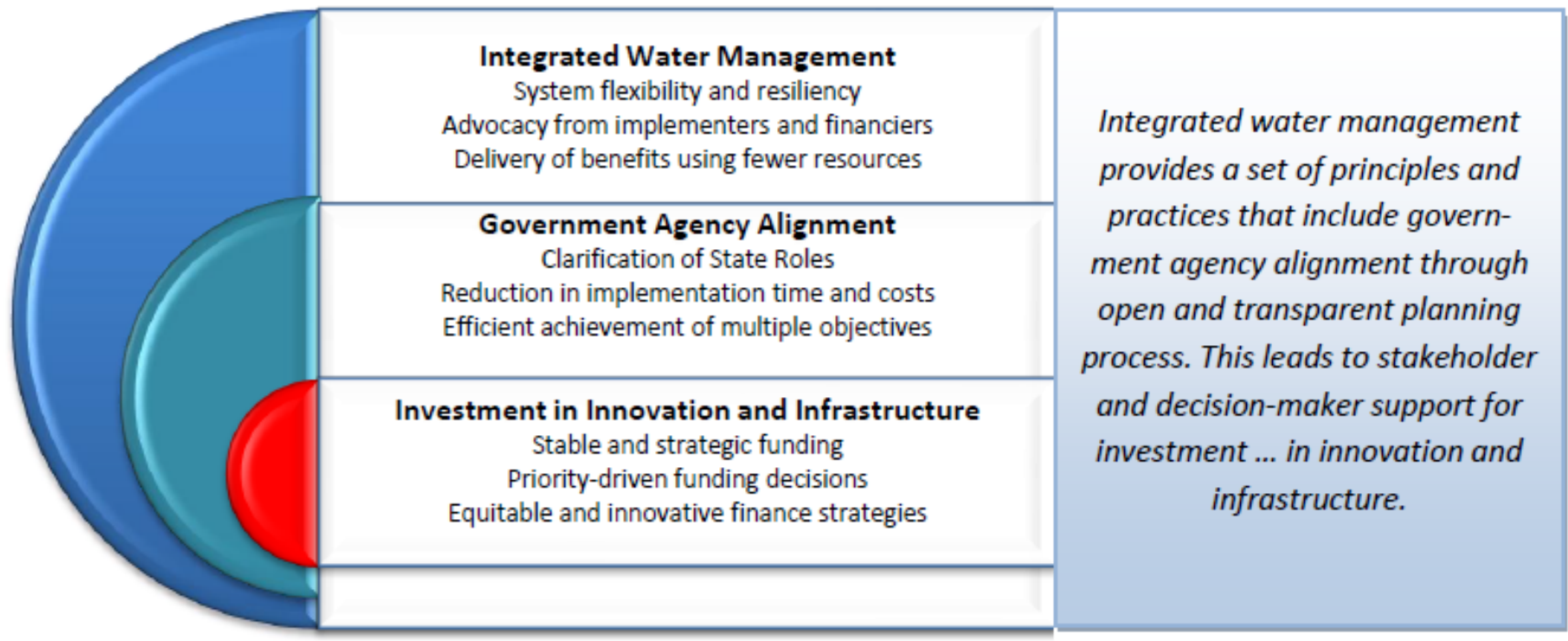
- California faces unacceptable risks from flooding, unreliable water supplies, and habitat and species declines
- Stakes are tremendously high and every Californian has a stake

Chapter 1 – A Call for Action

- California must make its business and finance climate more attractive with a higher degree of certainty that natural resources will be sustained over the long term, flood damages will be averted, water supplies will be reliable and predictable and recreational opportunities will be improved.

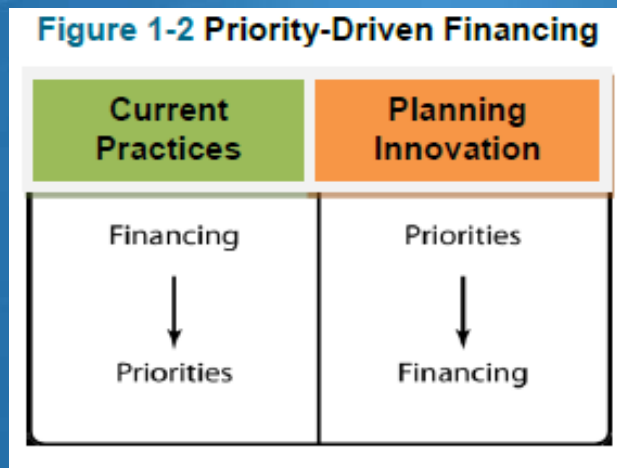
Chapter 1 - Update 2013 Themes

Figure 1-1 Themes of California Water Plan Update 2013



Chapter 1 - Key Messages (Partial list)

- Stable, priority-driven funding streams are essential to successful integrated water management



Chapter 3 - Outline

(Partial list)

- A Critical Time to Invest
- Fundamental Lessons
- Looking to the Future — The Roadmap
 - Vision, Mission, Goals, Objectives, Guiding Principles
- Role of State Government in Integrated Water Management

Chapter 8 – Implementation Plan

- IWM Objectives (13 in Update 2009)
- Related Actions (115 in Update 2009)
- Broad range of specificity
- Some sub-actions
- Most actions are from State companion plans
- Addition of a finance objective (and recommended actions) for Update 2013

Chapter 7 - Finance Planning Framework

Purpose

- Creates a common and comprehensive understanding of current [finance] conditions
- Provides a menu of available finance mechanisms; including trade-off descriptions
- Frames data, information and stakeholder input that supports finance recommendations

Chapter 7 - Finance Planning Framework Outline

1. Resource Management and Funding from 1850 – Present
2. Total State and Federal IWM Expenditures in California 1985 – 2010
3. State, Federal, and Local Total IWM Expenditures 2000 – 2010
4. State Government Expenditures 2000 – 2010
5. G.O. Bond Funding and Debt Level

Chapter 7 - Finance Planning Framework Outline (continued)

- 6. Financing Mechanisms (Traditional and New)
- 7. Role of State Government
- 8. Guiding Finance Principles
- 9. State and Local Financing Options

Chapter 8 – Implementation Plan

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Update 2013 Finance Planning Next Steps

- IRWM Conference April 4 & 5
- Finance Caucus Workshop April 11
- Water Plan Advisory Committee Meeting May 2
- Update 2013 Admin Draft to DWR executive management – May 2013
- Public Review Draft July 2013